



SAP Global Corporate Affairs (October 21, 2021)

# SAP: The World's Largest Provider of Enterprise Application Software

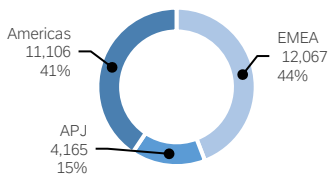
## Customers

- SAP customers generate 87% of total global commerce (\$46 trillion)
- 94% of the world's 500 largest companies are SAP customers
- 99 of the 100 largest companies in the world are SAP S/4HANA customers
- Approximately 80% of SAP's customers are SME

## Financials

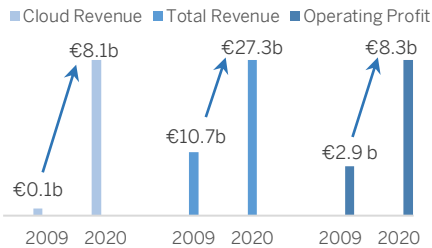
Revenue – FY2020 (non-IFRS, growth rates @cc)	
Cloud revenue	€8.09b (+ 18%)
Cloud and software revenue	€23.23b (+ 3%)
Total revenue	€27.34b (+ 1%)
Revenue – Q3/2021 (non-IFRS, growth rates @cc)	
Cloud revenue	€2.39b (+20%)
Cloud and software revenue	€5.91b (+ 6%)
Total revenue	€6.84b (+5%)

Revenue by region FY2020  
(€ m, non-IFRS / share of total rev. in %)



Outlook 2021 (non-IFRS@cc, raised Oct. 12 <sup>th</sup> , 2021)	
Cloud revenue	€9.4b to €9.6b
Cloud and software revenue	€23.8b to €24.2b
Operating profit	€8.1b to €8.3b
Share of predictable revenue (total of cloud subs. and support rev. and software support rev.)	approx. 75%
Operating cash flow / free cash flow	~€6.0b / >€4.5b
Ambition 2025 (non-IFRS)	
Cloud revenue	>€22b
Total revenue	>€36b
Operating profit	>€11.5b
Share of more predictable revenue	Approx. 85%

## Strong, Sustainable Growth (non-IFRS)



- #1 software company in Dow Jones Sustainability Index for 14 years

1) Definition of SAP S/4HANA see p. 33 of SAP's [Q4/2019 statement](#)

## Useful Links

[SAP Profile](#) – [Executives](#) – [Supervisory Board](#) – [Products](#) – [Industries+Solutions](#) – [Intelligent Enterprise Financials](#) – [Events](#) – [Photos+Films](#)



© SAP Global Corporate Affairs - Dietmar-Hopp-Allee 16, 69190 Walldorf, Germany

## Strategy

- SAP is committed to helping its customers transform into intelligent, sustainable enterprises — companies enabled by integrated, digital business processes, powered by experience data, with embedded AI continually tuned to drive more sustainable outcomes

## Market Position

### Enterprise Application Software

- SAP is a market share leader in enterprise resource planning (ERP), analytics, supply chain management, human capital management, master data management, data integration as well as in experience management
- Recognized database leader
- Broadest portfolio of modular and suite solutions available on premise, in the cloud and hybrid

### Top Cloud Vendor

- Cloud user base: ~237m users
- Cloud infrastructure: Choice across hyperscale cloud vendors (Alibaba, Amazon, Google, Microsoft) and SAP
- Largest cloud portfolio: >100 solutions for all lines-of-business (LoB) as well as software suites
- 200m users run SAP SuccessFactors solutions
- 67 data centers in 37 locations in 17 countries
- SAP Digital Commerce for online SAP and partner offerings >229,000 orders from 174 countries

## Innovation

- R&D expense ratio: 17% (Non-IFRS; R&D expense as % of total revenue) as of 9/30/2021
- R&D headcount (FTE): 31,202 at 9/30/2021, equaling 29.7% of total headcount
- >100 development locations worldwide
- 20 development centers worldwide (SAP Labs)
- 17 Co-Innovation Labs locations worldwide
- 9 SAP Innovation Center Network locations
- >22,500 SAP partner companies in >140 countries
- Sapphire Ventures: Invested in >120 IT startups
- >60 IPOs and M&A exits since 2011
- >\$6.8b assets under management
- Operates independently from SAP
- Provides SAP early access to trends and innovation
- Support for >330 external and internal startups
- ~900 patents granted and validated in 2020
- openSAP: >1.25m unique learners, >5.6m enrollments
- Artificial intelligence (AI) and robotic process automation: >300 innovations in SAP's applications

### SAP Business Technology Platform (SAP BTP)

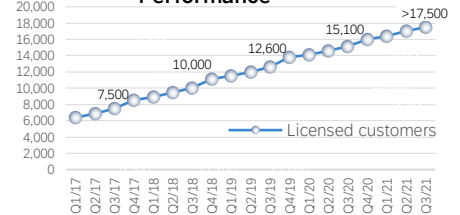
- SAP BTP is the platform for the intelligent enterprise and the foundation for all SAP applications
- Platform encompasses database and data management, analytics, application development and integration, as well as intelligent technologies, with:
  - SAP HANA: >36,900 direct customers; >58,000 direct+ indirect customers. Leading in-memory database, available on premise and in cloud, using SAP HANA Cloud
  - Powerful data warehousing and analytics solutions: SAP Data Warehouse Cloud and SAP Analytics Cloud
  - SAP Integration Suite in the Cloud: >9,700 licensed direct customers, >4,000 indirect customers
  - AI as part of the SAP Extension Suite with SAP Conversational AI and SAP AI Business Services
  - SAP Data Intelligence Cloud as a comprehensive data orchestration solution

## SAP's End-to-End Solutions

### Applications, Technology & Support

- Packaged solutions for 25 industries and 12 lines-of-business: on premise, cloud, hybrid
- RISE with SAP: business transformation in the cloud
- SAP S/4HANA: Market-leading Intelligent ERP, delivered with intelligent capabilities and best practices for every industry, available in the cloud or any-premise

### SAP S/4HANA Market Performance<sup>1</sup>



- SAP Digital Supply Chain solutions help customers achieve a resilient and sustainable supply chain, increasing productivity through Industry 4.0, improving connectivity with network collaboration, and running sustainable business practices. The portfolio covers the design-to-operate cycle across the lifecycle of products
- Human experience management. solutions: SAP SuccessFactors solutions support 43 languages. SAP Employee Central localized for 101 countries, >4,600 customers, SAP HXM Suite >7,800 customers
- SAP Customer Experience solutions: Leader in digital commerce, multichannel marketing and sales force automation
  - Commerce Cloud: \$576b gross merchandise value, up 57% yoy
  - Customer Data Cloud: 3.1b identities, 10b consent records
  - Sales Cloud & Service Cloud: >2b customer records and interactions in 2020
- SAP Intelligent Spend Management portfolio:
  - SAP Ariba: millions of connected companies
  - SAP Fieldglass: >1 million new workers added in Q3
  - SAP Concur: >75 million end users
- SAP Business Network to collaborate with all types of trading partners: Ariba Network, Logistics Business Network and Asset Intelligence Network
- Industry Cloud Solutions foster business transformation by extending SAP S/4HANA, SAP's LoB Cloud solutions and SAP Business Network with industry next practices: modular, cloud native, interoperable, built on BTP
- Support from SAP safeguards mission-critical processes, optimizes operations and enables the Intelligent Enterprise

## Services / Qualtrics

- Services from SAP drive digital transformations, deliver training, enablement and strategic premium engagement
- Qualtrics' experience management software drives customer loyalty, employee engagement, brand and product quality. >13,000 companies use Qualtrics

## General Facts

- Headquarters: Walldorf, Germany
- Founded: April 1, 1972
- Listing: Frankfurt, New York
- 105,015 employees worldwide (Sept. 30, 2021)
  - 156 nationalities worldwide
  - Employee retention at 93.7%
  - Employee Engagement Index at 84%
  - 28.2% women in management
  - >77% of SAP employees are SAP shareholders